

AMENDED IN ASSEMBLY APRIL 23, 2012

AMENDED IN ASSEMBLY MARCH 21, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2155

Introduced by Assembly Member Hueso

February 23, 2012

An act to amend Section 42100 of the Education Code, and to amend Sections 53235.1 and 53260 of the Government Code, relating to school districts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2155, as amended, Hueso. School districts: financial statements and financial settlements: ethics training.

(1) Existing law requires the governing board of each school district, on or before September 15, to approve an annual statement of all receipts and expenditures of the school district for the preceding fiscal year, and to file the statement with the county superintendent of schools. Existing law further requires each charter school, on or before September 15, to approve an annual statement of all receipts and expenditures of the charter school for the preceding fiscal year, and to file the statement with the entity that approved the charter school.

This bill would require the annual statement of a school district to include, ~~but not be limited to, separate line items setting forth the values of, and the purposes for which, the receipts and expenditures that were incurred by the school district superintendent and each school district administrator for the preceding fiscal year~~ *if the school district provides any of its officers or employees with a district credit or debit card, an itemized list of expenses charged to that card, including the*

identification by classification or title of the officer or employee to whom the card is issued. The bill would also require the annual statement of a charter school to include, but not be limited to, separate line items setting forth the values of, and the purposes for which, the receipts and expenditures that were incurred by each charter school administrator for the preceding fiscal year if the charter school provides any of its officers or employees with a charter school credit or debit card, an itemized list of expenses charged to that card, including the identification by classification or title of the officer or employee to whom the card is issued. By imposing additional duties on school districts and charter schools, the bill would impose a state-mandated local program.

(2) Existing law requires all local agency officials, as defined, to receive training in ethics, at specified intervals, if the local agency provides any type of compensation, salary, or stipend to those officials. Existing law defines “local agency,” for these purposes, to mean a city, county, city and county, charter city, charter county, charter city and county, or special district.

This bill would require local agency officials who serve a community college district, county office of education, or school district as of January 1, 2013, to receive ethics training by January 1, 2014, and at least every 2 years thereafter, except as specified.

(3) Existing law limits the amount of the maximum cash settlement that a local agency employee may receive to an amount equal to the monthly salary of the employee multiplied by the number of months left on the unexpired term of the contract, except that, if the unexpired term of the contract is greater than 18 months, the maximum cash settlement is an amount equal to the monthly salary of the employee multiplied by 18. Existing law also limits the amount of a cash or noncash settlement that a school district may provide its district superintendent to an amount no greater than the superintendent’s monthly salary multiplied by zero to 6 if it terminates the superintendent’s contract of employment and it is confirmed pursuant to an independent audit that the superintendent engaged in fraud, misappropriation of funds, or other illegal fiscal practices. In this case, existing law requires an administrative law judge, after a hearing, to determine the amount of the cash settlement.

This bill would ~~delete the requirement that it be confirmed that the district superintendent engaged in fraud, misappropriation of funds, or other illegal fiscal practices from the provision limiting the amount of~~

~~the cash or noncash settlement that a school district may provide its district superintendent if it terminates the superintendent's contract of employment, and would instead limit the amount of the settlement that a school district may provide in this instance with respect to the termination of a district superintendent to the district superintendent's monthly salary multiplied by zero to 12. This bill also would delete the requirement that the amount of the cash settlement be determined by an administrative law judge after a hearing.~~ The bill would further provide that, if the unexpired term of the district superintendent's contract is greater than 12 months, the maximum cash settlement shall be an amount equal to the monthly salary of the employee multiplied by 12.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 42100 of the Education Code is amended
2 to read:
3 42100. (a) On or before September 15, the governing board
4 of a school district shall approve, in a format prescribed by the
5 Superintendent, an annual statement of all receipts and expenditures
6 of the school district for the preceding fiscal year. ~~The annual~~
7 ~~statement shall include, but is not limited to, separate line items~~
8 ~~setting forth the values of, and the purposes for which, the receipts~~
9 ~~and expenditures that were incurred by the school district~~
10 ~~superintendent and each school district administrator for the~~
11 ~~preceding fiscal year~~ *If the school district provides any of its*
12 *officers or employees with a district credit or debit card, the annual*
13 *statement shall include an itemized list of expenses charged to that*
14 *card, including the identification by classification or title of the*
15 *officer or employee to whom the card is issued.* The governing
16 board of a school district shall file the statement, along with the

1 statement received pursuant to subdivision (b), with the county
2 superintendent of schools. On or before October 15, the county
3 superintendent of schools shall verify the mathematical accuracy
4 of the statements and shall transmit a copy to the Superintendent.

5 (b) On or before September 15, a charter school shall approve,
6 in a format prescribed by the Superintendent, an annual statement
7 of all receipts and expenditures of the charter school for the
8 preceding fiscal year. ~~The annual statement shall include, but is~~
9 ~~not limited to, separate line items setting forth the value of, and~~
10 ~~the purposes for which, the receipts and expenditures that were~~
11 ~~incurred by each charter school administrator for the preceding~~
12 ~~fiscal year.~~ *If the charter school provides any of its officers or*
13 *employees with a charter school credit or debit card, the annual*
14 *statement shall include an itemized list of expenses charged to that*
15 *card, including the identification by classification or title of the*
16 *officer or employee to whom the card is issued.* The charter school
17 shall file the statement with the entity that approved the charter
18 school.

19 (c) The forms prescribed by the Superintendent shall be adopted
20 as regulations by the state board, and may be amended periodically
21 to accommodate changes in statute or government reporting
22 standards.

23 SEC. 2. Section 53235.1 of the Government Code is amended
24 to read:

25 53235.1. (a) Each local agency official in local agency service
26 as of January 1, 2006, except for officials whose term of office
27 ends before January 9, 2007, shall receive the training required by
28 subdivision (a) of Section 53235 before January 1, 2007.
29 Thereafter, each local agency official shall receive the training
30 required by subdivision (a) of Section 53235 at least once every
31 two years.

32 (b) Each local agency official who commences service with a
33 local agency on or after January 1, 2006, shall receive the training
34 required by subdivision (a) of Section 53235 no later than one year
35 from the first day of service with the local agency. Thereafter, each
36 local agency official shall receive the training required by
37 subdivision (a) of Section 53235 at least once every two years.

38 (c) In the case of a community college district, county office of
39 education, or school district, each local agency official in local
40 agency service as of January 1, 2013, except for officials whose

1 term of office ends before January 1, 2014, shall receive the
2 training required by subdivision (a) of Section 53235 before
3 January 1, 2014. Thereafter, each local agency official to whom
4 this subdivision is applicable shall receive the training required
5 by subdivision (a) of Section 53235 at least once every two years.

6 (d) A local agency official who serves more than one local
7 agency shall satisfy the requirements of this article once every two
8 years without regard to the number of local agencies with which
9 he or she serves.

10 SEC. 3. Section 53260 of the Government Code is amended
11 to read:

12 53260. (a) All contracts of employment between an employee
13 and a local agency employer shall include a provision which
14 provides that regardless of the term of the contract, if the contract
15 is terminated, the maximum cash settlement that an employee may
16 receive shall be an amount equal to the monthly salary of the
17 employee multiplied by the number of months left on the unexpired
18 term of the contract. However, if the unexpired term of the contract
19 is greater than 18 months, the maximum cash settlement shall be
20 an amount equal to the monthly salary of the employee multiplied
21 by 18.

22 (b) (1) Notwithstanding subdivision (a), if a local agency
23 employer, including an administrator appointed by the
24 Superintendent of Public Instruction, terminates its contract of
25 employment with its district superintendent of schools the local
26 agency employer may not provide a cash or noncash settlement to
27 its *district* superintendent in an amount greater than the *district*
28 superintendent's monthly salary multiplied by zero to 12. If the
29 unexpired term of the district superintendent's contract is greater
30 than 12 months, the maximum cash settlement shall be an amount
31 equal to the monthly salary of the employee multiplied by 12.

32 (2) *Notwithstanding paragraph (1), if a local agency employer,*
33 *including an administrator appointed by the Superintendent of*
34 *Public Instruction, terminates its contract of employment with its*
35 *district superintendent of schools, the local agency employer shall*
36 *not provide a cash or noncash settlement to its district*
37 *superintendent in an amount that is greater than the district*
38 *superintendent's monthly salary multiplied by zero to six if the*
39 *local agency employer believes, and subsequently confirms,*
40 *pursuant to an independent audit, that the district superintendent*

1 *has engaged in fraud, misappropriation of funds, or another illegal*
2 *fiscal practice. The amount of the cash settlement described in this*
3 *paragraph shall be determined by an administrative law judge*
4 *after a hearing.*

5 ~~(2)~~

6 (3) This subdivision applies only to a contract for employment
7 negotiated on or after the effective date of the act that added this
8 subdivision.

9 (c) The cash settlement formulas described in subdivisions (a)
10 and (b) are maximum ceilings on the amounts that may be paid by
11 a local agency employer to an employee and are not targets or
12 examples of the amount of the cash settlement to be paid by a local
13 agency employer to an employee in all contract termination cases.

14 SEC. 4. If the Commission on State Mandates determines that
15 this act contains costs mandated by the state, reimbursement to
16 local agencies and school districts for those costs shall be made
17 pursuant to Part 7 (commencing with Section 17500) of Division
18 4 of Title 2 of the Government Code.